Ministry of the Economy

Plan for 2014-15

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Government of Saskatchewan

Statement from the Ministers

The Honourable Bill Boyd
Minister of the Economy

The Honourable Tim McMillan
Minister Responsible for Energy and Resources

It is our pleasure to present the annual plan for the Ministry of the Economy. The Government's Direction and Budget for 2014-15 are built on the principle of *Steady Growth* to support a continued focus on sound economic growth and shared prosperity. Aligned with this direction and inspired by the Saskatchewan Plan for Growth, our Ministry's plan is focused on steady economic growth and sustainability, as well as meeting the challenges of growth. This document outlines the goals, objectives and strategies that will inform our direction for the 2014-15 fiscal year. Central to our plan is growing the Saskatchewan economy – generating wealth and creating opportunities in all corners of this province; and ensuring that our growth is sound and the prosperity shared among everyone who calls Saskatchewan home.

We have more people living in this province than at any point in our history. High wages, plenty of jobs, and a great quality of life are all perks of being part of this province's exciting economy.

Investors and individuals alike understand why Saskatchewan is one of the best places to live, work and do business. Billions of dollars are being invested in Saskatchewan's economy each and every year, helping to grow our wealth and our prospects. Saskatchewan's natural resource sector is a driving force behind this province's multi billion dollar industry that is providing prosperity, generating revenue and employing our hard-working men and women. Global demand for our resource commodities and investor confidence has ensured its continued expansion and maturity. With new mines being built in potash and uranium and many other projects in various stages of development, the future of the province's natural resource sector looks bright.

We are working to develop a stronger, more stable and continued bright future in Saskatchewan that is focused on increasing investment, developing a skilled labour force, expanding our resource potential, growing our labour market, and attracting people both domestically and internationally. We are collaborating with our stakeholders, both internally and externally, to identify ways to expand our export markets, to increase trade, to generate new investment and to build on our innovation strengths. And we are meeting the challenges of growth by investing in our workforce and increasing our allocation for the Saskatchewan Immigrant Nominee Program.

The Ministry of the Economy is helping to build the Saskatchewan of today, and the Saskatchewan of the future. Truth be told, that future is bright. The goals and objectives that can be found in the pages that follow will ensure that Saskatchewan remains the place to live, work and invest.

Response to Government Direction

The Government is committed to establishing Saskatchewan as the best place to live, work and raise a family.

In October 2013, the first progress report on the *Saskatchewan Plan for Growth – Vision 2020 and Beyond* was released. Saskatchewan's growth is strong and steady. As Saskatchewan continues to move forward, the Government will support growth in 2014-15 through investing in people and needed infrastructure, encouraging economic growth, and through sound policy and financial decisions.

Saskatchewan's Vision

"... to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."

Sustaining growth and opportunities for Saskatchewan people	**Meeting the challenges of growth**	**Securing a better quality of life for all Saskatchewan people**	**Delivering responsive and responsible government**

Government's vision and four goals provide the framework for ministries, agencies and third parties to align their programs and services to these priorities and meet the needs of Saskatchewan's citizens.

All ministries and agencies will report on progress in their 2014-15 annual reports. This supports Government's commitment to keep its promises and ensures greater transparency and accountability to the people of Saskatchewan.

Mission, Strategies and Actions

Mission Statement

The Ministry of the Economy advances economic growth to generate wealth and opportunity in Saskatchewan

Core Line of Business:

Enhance Economic Growth and Competitiveness – the Ministry works to attract investment and remove barriers to growth.

Strategy

Increase investment and international engagement in Saskatchewan

Key Actions

- Target global investors in key markets to attract primary resource development, value-added and supply chain investment and employment in the sectors of life sciences/biomass, agricultural value-added, oil, gas, mining, manufacturing and forestry that can be produced in the Province to:
  - Lead/support sector development and investment attraction missions including the United States, European Union, China, Japan, Association of South-East Asian Nations (ASEAN) and India;
  - Facilitate business to business discussions on Saskatchewan growth opportunities; and
  - Host foreign delegate information sessions.
- Identify supply chain linkages to Saskatchewan businesses, manufacturers and processors.
- Promote Saskatchewan as the place of opportunity for jobs, families, tourism and investors nationally and internationally via the continuation of the *Feeling Good* awareness campaign.
- Enhance outreach efforts with clients, stakeholders and the public.

Strategy

Create a sustainable competitive business environment

Key Actions

- Ensure effective, relevant and efficient regulations across government by implementing red tape reduction measures.
- Maintain the government's schedule of annual regulatory reviews.
- Modernize business systems that affect the oil and gas industry to take advantage of new technologies.
- Ensure royalty and taxation structures remain fair, stable and competitive.
- Continue a progressive and competitive framework for mineral, and petroleum and natural gas rights management.
- Ensure forest industry development and regulations foster a business climate for a globally competitive forestry sector.
- Support the coordination of economic development and labour development activities to ensure a sufficient supply of skilled labour to support growth and encourage investment.
- Establish a Manufacturing Centre of Excellence, in partnership with Canadian Manufacturers and Exporters and the Saskatchewan Manufacturing Council, to promote productivity improvement, workforce development and innovation.

Photo Credit: Enterprise Saskatchewan, Greg Huszar Photography, Mosaic Belle Plaine site

Strategy

Increase entrepreneurship in Saskatchewan

Key Actions

- Increase entrepreneurial investment in communities through the Saskatchewan Immigrant Nominee Program (SINP) Entrepreneur Category.
- Support implementation of a Northern entrepreneurship strategy.

Strategy

Maximize growth opportunities for First Nations, Métis and Northerners

Key Actions

- Connect First Nations, Métis and Northern businesses and communities to industry opportunities through:
  - Attracting and supporting the expansion of the Aboriginal Business Match (ABM) into Saskatchewan;
  - Supporting First Nations, Métis and Northerners participation in business and industry networks; and
  - Increasing the impact of the Aboriginal Business Directory.
- Work in partnership with the forest industry and northern communities to support the re-emergence of the forestry industry by fostering innovation and new product development, including value-added processing.
- Support implementation of the Consultation Policy Framework to provide guidelines on the role of industry in mineral development.

Core Line of Business:

Regulate Responsible Resource Development – the Ministry works to increase resource exploration, development and investment while requiring compliance with recognized standards within a stable framework.

Strategy

Increase resource production and regulate and manage industry activity

Key Actions

- Enhance regulatory services to provide proper oversight in a timely manner.
- Encourage new minerals and petroleum resource discoveries through dissemination of geosciences information.
- Work with the petroleum industry to develop new technology which will increase production, lower costs, improve efficiency and reduce environmental impacts.
- Encourage industry to develop new and innovative technology to improve recovery and encourage the full utilization of oil, gas, mineral and forest resources.
- Work with the Ministry of Highways and SaskPower, SaskEnergy and SaskTel to facilitate placement of infrastructure to support and accelerate resource development.

Photo Credit: Ministry of Parks, Culture, and Sport, photo by Paul Austring, Blue Sky over Duck Mountain

Strategy

Manage resources to ensure conservation, fairness, public safety and environmental sustainability

Key Actions

- Conduct follow-up assessments, inspections and enforcement activities of approved oil and gas projects, well and facility licences and pipeline projects to ensure resources conservation, environmental protection and public safety are being maintained.
- Review and approve technical reports of mineral exploration activity submitted under regulation.
- Administer key regulatory programs to improve the quality of the environment.
- Administer oil, gas and mine liability management and retirement programs such as the Institutional Control Program and the Orphan Well Program.

Strategy

Collect a fair economic rent, balanced with stability

Key Actions

- Ensure royalty structures reflect the value of commodities by regularly reviewing to ensure that they provide a balance between attracting investment while providing an appropriate return to provincial residents.
- Implement an industry declaration process to enhance industry regulatory compliance with oil price determination and reporting processes.
- Ensure timely and optimal collection of resource revenues

Core Line of Business:

Develop, Attract and Retain a Skilled Workforce – the Ministry works to address the needs of a diverse, competitive and complex labour market.

Strategy

Develop the knowledge and skills of Saskatchewan people

Key Actions

- Increase the province's future labour supply through developing the skills of under-represented groups.
- Support the Government's overall approach to eliminating the education and employment gaps for First Nations and Métis people including First Nations students moving off reserve.
- Pursue five new training initiatives in partnership with employers, First Nations and post-secondary institutions.
- Eliminate the October 2012 wait list for Adult Basic Education (ABE) programs by the end of the Government's current term, including an additional 700 seats in 2014-15.
- Support training institutions in documenting and responding to the demand for GED and ABE throughout the Province.

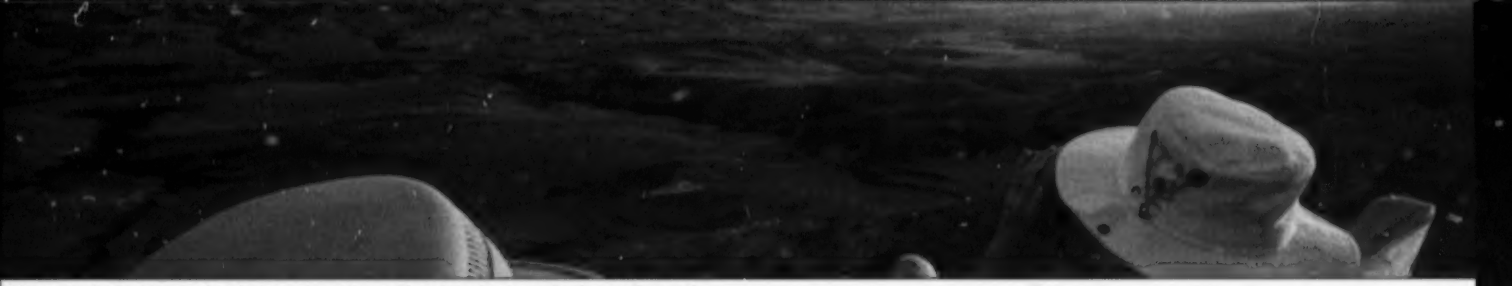


Photo Credit: Tourism Saskatchewan, Greg Huszar Photography, Jones Peak, near Eastend

- Improve employment outcomes and skills matching for adults through an expansion of demand driven labour market programs that address the needs of employers.
- Add 300 additional apprenticeship spaces in the Province.
- Continue to offer a "Talent Team" approach to address the short term and long term workforce needs of large capital infrastructure projects.
- Support training and development of post secondary and graduate students by hiring students to work under the mentorship of Ministry professionals on summer field and office projects and by providing research grants to support graduate thesis projects.

Strategy

Attract skilled and knowledgeable workers from across Canada and around the world

Key Actions

- Participate in national and international job fairs to support employers with recruitment.
- Create an online matching tool to better connect job seekers with job vacancies on the SaskJobs website.
- Communicate and market job opportunities via social media, traditional media and recruitment events.
- Work with the Government of Canada to increase permanent immigration to Canada including increasing the nomination allowance to the SINP.
- Create a SaskJobs International website to better assist immigrant job seekers in finding employment in Saskatchewan.
- Work with the Government of Canada to develop a new process to facilitate the timely arrival of temporary foreign workers to address acute, short term labour needs.

Strategy

Retain knowledgeable and skilled workers in Saskatchewan workplaces and communities

Key Actions

- Work with partners to provide quality and timely access to career development information that supports the labour market decisions of youth and adults.
- Facilitate improvements in school to work transition.
- Develop "welcoming communities" to attract and retain workers from other provinces and from around the world.
- Increase settlement support services such as language training to assist in the attraction and retention of new Canadians to Saskatchewan.

Performance Measures

Measure

60,000 more people working in Saskatchewan by 2020

Source: Statistics Canada, Table 282-0002 (seasonally adjusted)

Measure Description

The *Saskatchewan Plan for Growth* identifies a key target of 60,000 more workers in Saskatchewan by 2020 to ensure sustained economic growth.

Employment is a key outcome of government's labour market development activities. These activities range from primary, secondary and post secondary education, to adult training and employment support services. Continued progress in labour market development is a shared responsibility between industry, employers, labour unions, post-secondary institutions, other levels of government, and workers. Employment growth reflects the success of this coordinated approach.

Moving forward to 2020, the *Saskatchewan Plan for Growth* sets out to align the labour market activities of stakeholders around three themes, including (i) workforce attraction; (ii) workforce development; and (iii) workforce retention.

For 2013, Saskatchewan reported all-time highs for employment growth (18,200), total employment (555,300), full-time employment (457,900), and Aboriginal employment (42,000). In 2013, employment in Saskatchewan grew by 3.2 per cent compared to 2012, the second highest among the provinces behind Alberta (3.3 per cent).

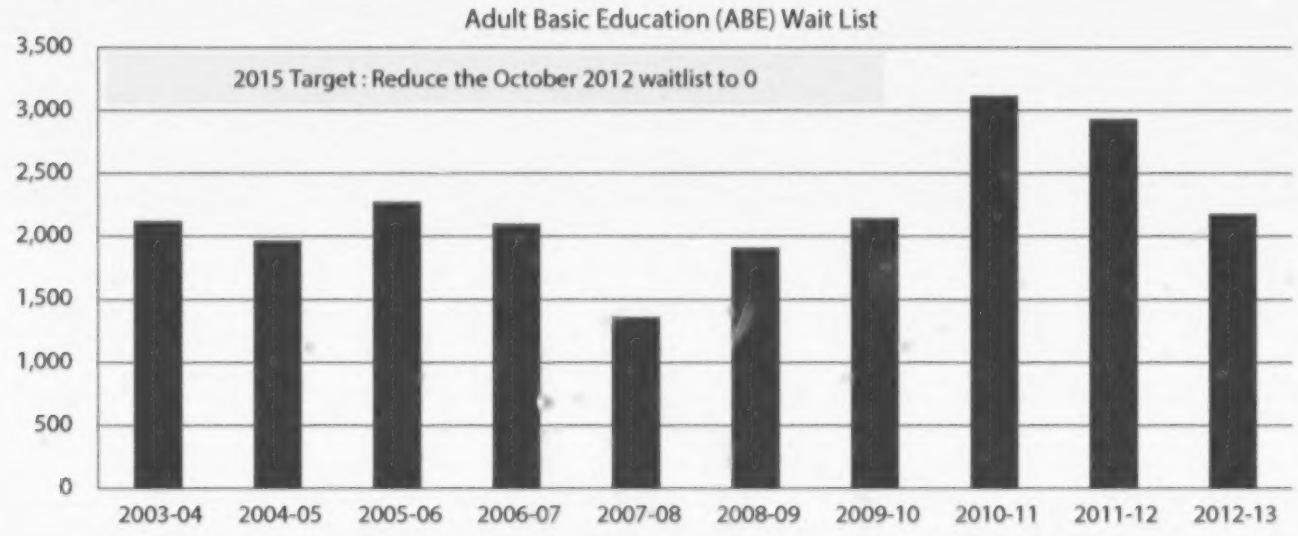
The above measure reflects total annual employment in Saskatchewan. It is the average number of employed persons from the Labour Force Survey (LFS), which is conducted monthly by Statistics Canada. The LFS in Saskatchewan consists of a rotating sample of nearly 3,900 households. For reasons of jurisdiction the LFS is only conducted with households living off reserve.

A complete guide to the Labour Force Survey is available from Statistics Canada (71-543-GWE) with data available on CANSIM 282-0002.

Photo Credit: Tourism Saskatoon, Broadway Bridge

Measure

Reduce Adult Basic Education Wait List



Source: Labour Market Development Division

Measure Description

The *Saskatchewan Plan of Growth* identifies a key target of eliminating the 2012 wait list for Adult Basic Education (ABE) programs by the end of the government's current term in 2015. The elimination of the 2012 wait list will assist people's transition to the workforce which supports another key target of the *Saskatchewan Plan of Growth*; 60,000 more workers in Saskatchewan by 2020 to ensure sustained economic growth.

The elimination of the 2012 wait list is a partnership activity involving the Regional Colleges, SIAST, Dumont Technical Institute (DTI), Saskatchewan Indian Institute of Technologies (SIIT), and Lakeland College as they deliver ABE programming on behalf of the Government of Saskatchewan.

To reduce the 2012 wait list, additional ABE seats have been added. In 2013-2014, $22.9M was allocated to ABE programming. This is an increase of 7 per cent from the previous budget which provides an additional 300 ABE seats. This brings the number of ABE seats to over 7,880. A further increase of 700 seats is planned for the 2014-2015 academic year.

Photo Credit: Tourism Saskatchewan, Greg Huszar Photography, Over the Hill Orchards

Measure

Increase the Number of Apprenticeship Seats

Source: Saskatchewan Apprenticeship and Trade Certification Commission 2012-13 Annual Report

Measure Description

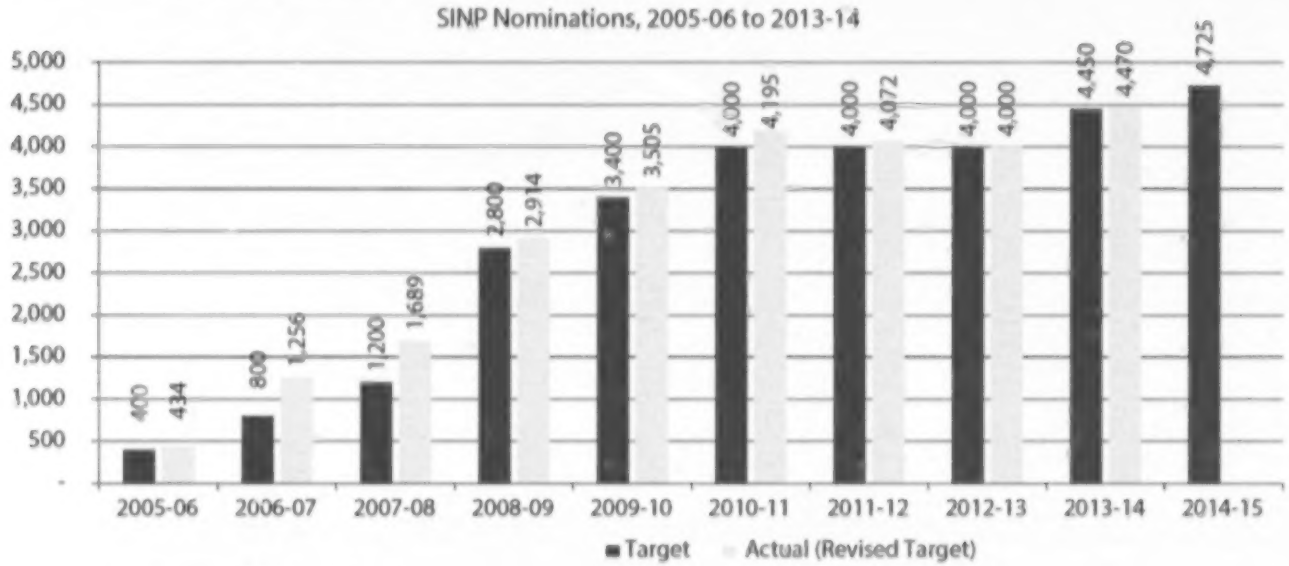
The Government of Saskatchewan has taken action to expand the skilled labour force to better meet market demand, foster economic growth, and ensure the ongoing competiveness of the Saskatchewan labour market. Apprenticeship funding has increased by 70 per cent since 2007-08, and the number of registered apprentices has increased by 23 per cent since June 30, 2008. The number of registered youth apprentices in Saskatchewan has also increased by 25 per cent since 2007-08.

In an era of globalization and new technology, jurisdictions that invest in human capital and knowledge through education and skills development will not only create more productive economies, but citizens who are better able to realize their full potential. This will require increased attention to workplace essential skills programs which prepare people for entry level jobs and opportunities for apprenticeship training.

Photo Credit: Ministry of Parks, Culture and Sport, Greg Huszar Photography, Cycling near Saskatoon

Measure

Grow the number of Saskatchewan Immigrant Nominee Program Nominees



Source: Ministry of Economy SINP Oasis Database 2013

Measure Description

The measure illustrates the number of foreign workers nominated by the Saskatchewan Immigrant Nominee Program (SINP) for permanent residency (to live, work and settle) in Saskatchewan. SINP data is collected by the Ministry. The Ministry has a moderate level of influence on this measure as it is, in part, dependent on the nomination target approved for the SINP by the federal government, as well as local labour demand, the qualifications and eligibility of applicants and overall awareness of the SINP, and the labour needs of Saskatchewan employers. The SINP has a target of 4,725 nominations for 2014, which directly corresponds to the allocation determined by the federal government for Saskatchewan. The target and the actual number of nominations do not always match. This is because in three of the last four years, the federal allocation for the SINP has been increased during the third quarter in order to redistribute nominations that other provinces/territories were unable to utilize.

The SINP works with employers and community stakeholders to facilitate the immigration of skilled workers, entrepreneurs and their families by linking them with employment and economic development opportunities. The almost 930 per cent increase in SINP nominations since 2005-06 is due primarily to strong labour market demand and increased use of the SINP by Saskatchewan employers, as well as SINP program enhancement.

The 4,470 nominees/nominations in 2013-14 refer to the principal applicant; however, nominees bring their spouses and dependents on the same application. The average SINP nominee family size was 2.5 people over 2010 to 2012. Consequently, the SINP program contributes to Saskatchewan's population target as well as labour market targets.

Photo Credit: Tourism Saskatoon, City of Bridges

Measure

Saskatchewan's economy will remain among the most competitive in Canada

Investment data from 1991 to 2013 is sourced from Statistics Canada, CANSIM Table 029-0005

Measure Description

This measure captures private investment in non-residential construction, as well as investments in leasing, purchasing, and installing machinery and equipment. Capital investment plans not only indicate management views of future prospects for their industry, but also reflect, to a certain degree, the level of satisfaction with the provincial business environment. Private capital investment in Saskatchewan has grown strongly in recent years; only Newfoundland, Labrador and Alberta had higher growth rates than Saskatchewan. In all three provinces, mining, oil and gas are the driving force behind private capital investment growth rates. Growth rates in the rest of Atlantic Canada and Central Canada have been much lower than in the resource-rich provinces. Commodity prices play a large role and are a significant risk factor in whether or not Saskatchewan can achieve its investment targets. Saskatchewan will be challenged to maintain the current level of investment once the announced mines and mine expansions are completed over the next three or four years. This measure is associated with several of the Ministry of the Economy's key actions and most directly supports the *Saskatchewan Plan for Growth* objective to *"actively encourage private investment from within Saskatchewan and beyond the province to ensure our natural resource advantages are developed for the long-term growth of the economy"*. The Ministry can facilitate investment by working to reduce regulatory barriers and streamlining administrative procedures that can cause delays in investment projects.

Photo Credit: Courtesy of Enterprise Saskatchewan, oil pumpjack (Southeast Sask.)

Measure

Canadian Federation of Independent Business' Past Report Card Grades for Ranking Red Tape Reduction Activities

Jurisdiction	2011 Grade	2012 Grade	2013 Grade	2014 Grade
British Columbia			A	A
Federal Government			B+	B+
Quebec			B	B+
Saskatchewan	C+	B-	C	B
Ontario			B	B
New Brunswick			B-	B
Newfoundland and Labrador			B	C+
Nova Scotia			D	C-
Prince Edward Island			D-	D+
Alberta			D+	D
Yukon			D-	D
Manitoba			D-	D-
Northwest Territories			D-	F

Source: Canadian Federation of Independent Business

Measure Description

Over the last four years, the Canadian Federation of Independent Business (CFIB) Barometer has consistently placed Saskatchewan above the Canadian average and the Red Tape efforts are contributing to that.

The Canadian Federation of Independent Business releases an annual report during their Red Tape Awareness campaign in which they grade provincial efforts for regulatory modernization based on five indicators: presence of publicly reported measure, ongoing measurement, political leadership, constraints on regulators and legislation for reporting. The CFIB claims red tape is creating unnecessary burdens on business in terms of time, costs and resources and thus would make a jurisdiction less competitive to others. This metric is an indication of Saskatchewan's success in the *Saskatchewan Plan for Growth* objective to ensure Saskatchewan's economy will remain among the most competitive in Canada in 2020. This measure assists in capturing the work directly attributable to government actions such as passing reporting legislation (*The Regulatory Modernization and Accountability Act*), implementing business-related regulatory reviews on a ten-year cycle and introducing a cost-based regulation model to evaluate costs to business of existing and proposed regulations.

The table above shows the grades Saskatchewan has received since 2011 and the grades of the other jurisdictions over the last two years. The recent improvement highlights the work of the government to remain among the most competitive in Canada.

Photo Credit: Enterprise Saskatchewan, photo by Cal Fehr, Cameco's McArthur River mine site

Measure

Double the value of exports by 2020 and increase investment through international engagement

Source: Statistics Canada, Trade Data Online

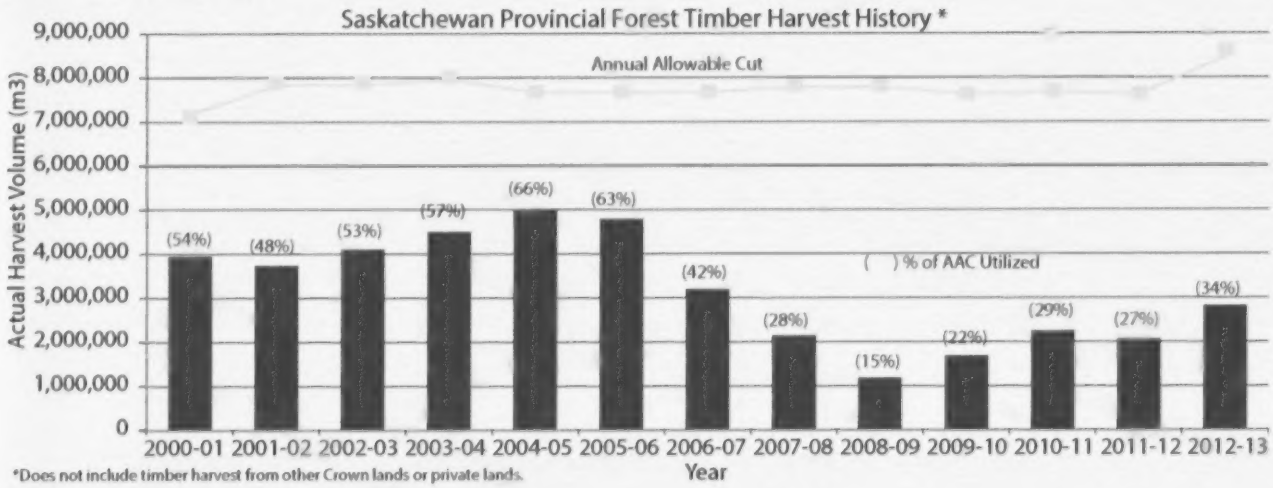
Measure Description

Exports are expressed as the inflation-adjusted dollar value of goods and services shipped to other countries and to other provinces. Exports are critically important to Saskatchewan's economic growth because the province has a small internal market. Increasing output – and by extension, incomes and wealth – requires that external markets be found for the goods and services produced here. In 2013, Saskatchewan's exports increased by 51.5 per cent from 2009, when the recession hit the world economy. Saskatchewan's growth in exports was the highest in Canada, ahead of Alberta (46.0 per cent) and New Brunswick (46.8 per cent). There are many factors that impact exports. The value of the Canadian dollar can have a significant impact on the competitiveness of Saskatchewan products in export markets. Weather affects crop yields in Saskatchewan and in its trading partners; access to transportation affects the ability of Saskatchewan products to reach the market. The anticipated increase of domestic oil supply in the United States may limit the growth of Saskatchewan energy exports, and mineral exports – especially potash – which may be impeded by delayed orders by customers. This metric is associated with the *Saskatchewan Plan for Growth* objective of *"doubling the value of export sales by 2020"*. The Ministry of the Economy can have an influence on this goal by working with other ministries and federal and provincial partners to reduce trade barriers, supporting the Saskatchewan Trade and Export Partnership, assisting in the planning and execution of trade missions, hosting incoming buyer's delegation and promoting supply chain and value-added activities which enhances the export of higher-value products.

Photo Credit: Tourism Saskatchewan, Davin Andrie, Hunt Falls

Measure

Increase Forest Timber Harvest



Source: Ministry of Environment, Forest Service

Measure Description

The annual allowable cut (AAC) is the maximum amount of timber that can be harvested each year. The AAC is determined by balancing ecological, social and economic factors, with the goal of ensuring long-term forest sustainability. The Ministry of Environment determines the AAC, but the forest industry determines the percentage of the AAC harvested based on a number of market-based factors, including global forest products demand and related prices. This measurement is for the provincial forest only and does not include timber harvested from Crown Agricultural Lands or private lands.

Saskatchewan's primary forest industry is commodity based and highly susceptible to international market volatility. Forest products prices fell dramatically prior to the global recession in 2008, largely due to the sub-prime mortgage crisis in the United States, which began to impact the Canadian forest industry in late 2006. The net effect of these two circumstances combined with a continued high Canadian dollar resulted in the worst economic downturn in Canada's forest products sector history lasting from 2007 to 2012.

In 2013, prices for many forest products began to improve largely due to the emergence of the Chinese economy and its large dependence on importing natural resources, and substantial increases in United States housing starts. Seven of Saskatchewan's 11 major forest products mills are currently operating, and all 11 could be operating as early as 2015.

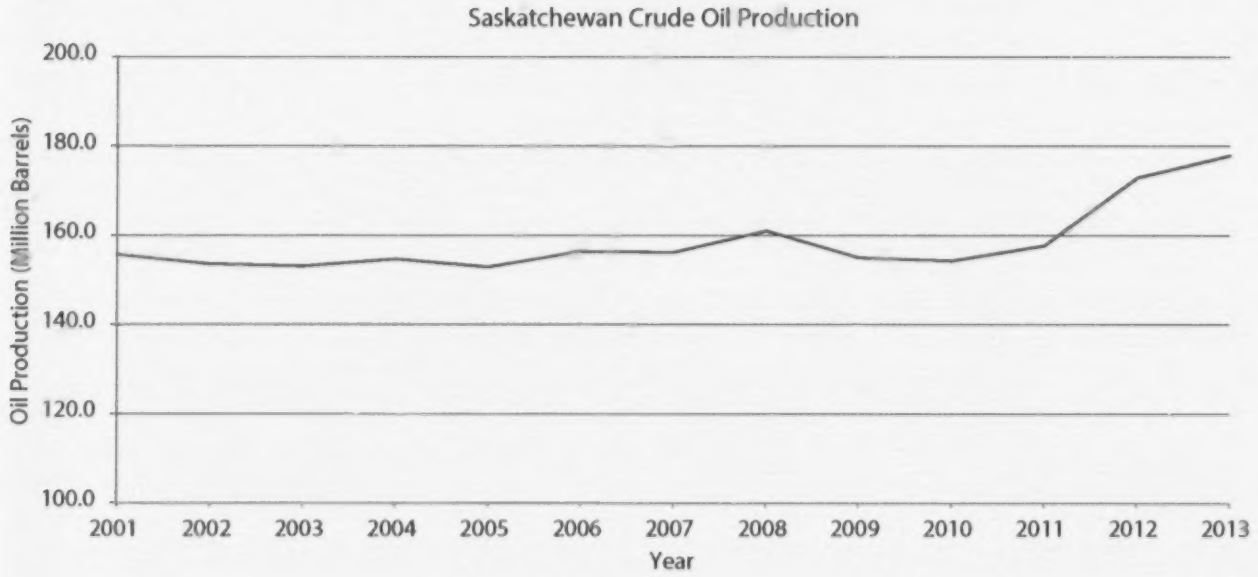
New global and domestic market opportunities for Saskatchewan's forestry sector are positively influencing its turnaround and transformation, including over $500M in new investments over the next two years. If the Asian economy remains strong and the United States economy continues to improve, by 2016 the province could be harvesting record levels of timber and producing record levels of forest products.

Programs in forestry development are designed to facilitate the reemergence of the forestry sector, including a long-term transition to a highly competitive, value-added industry. By monitoring the amount of timber harvested each year, the Ministry is able to gauge the success of its programs. External factors can heavily influence the success of this measure, including reliance upon the United States housing market, the Canada-United States Softwood Lumber Agreement, and global demand for forest products.

Photo Credit: Tourism Saskatoon, River Landing Riverfront Park at Dusk

Measure

Increase crude oil production



Source: Ministry of the Economy

Measure Description

Oil production is a measure of the total volume of crude oil produced in the province in a given calendar year. It is one of the key measures in the *Saskatchewan Plan for Growth*.

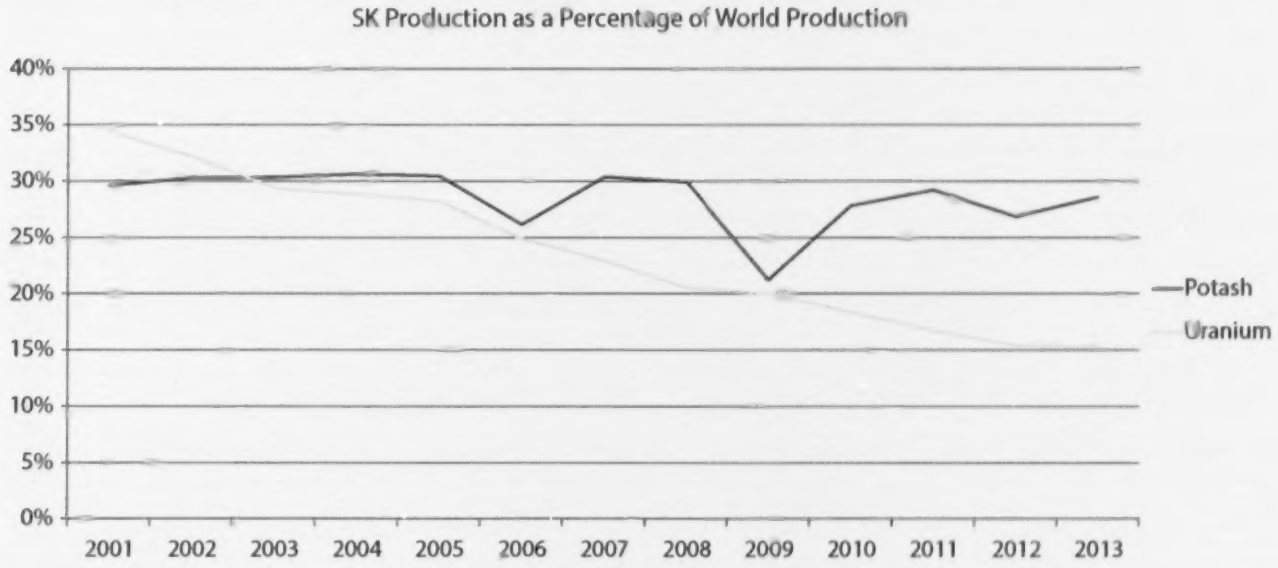
Oil production is a measure of the success of government regulatory programs, fiscal and tenure policies and investment attraction. It is an important indicator of investment, employment and revenue and the overall health of the oil industry in the province. It provides an indication of the total amount of information recorded, maintained and processed by the Ministry. By monitoring oil production in the province, the Ministry is able to gauge ongoing activity in the oil field, forecast and anticipate investment, employment and provincial revenues, and plan the human and financial resources the Ministry will need to regulate the industry in an ongoing basis.

Saskatchewan is the sixth largest oil producing jurisdiction in North America and the second largest oil producer in Canada, second only to Alberta. Crude oil production in the province was relatively flat over the period 2000 to 2011, averaging approximately 155M barrels per year. However, as a result of the continued focus on growth and innovation in the province by both industry and government, industry responded in 2012 with record oil production of 172.9M barrels and again in 2013 with record oil production of 177.9M barrels.

Photo Credit: Ministry of Parks, Culture and Sport, Greg Huszar Photography, Fishing on Jan Lake

Measure

Increase Saskatchewan Mineral Production as a Percentage of World Production



Source: Potash Percentage of World Production from Jan 2014 ECON forecast
Uranium Historical Percentage of World Production from WNA
Uranium Forecast Percentage of World Production from UxC 2013 Market Outlook

Measure Description

Saskatchewan's large and diverse mineral sector is comprised of three inter-related components: mineral exploration, mining and value added activities. It is one of the most technologically advanced industries in the province. Production in the mineral sector is dominated by Saskatchewan's world class deposits of potash and uranium.

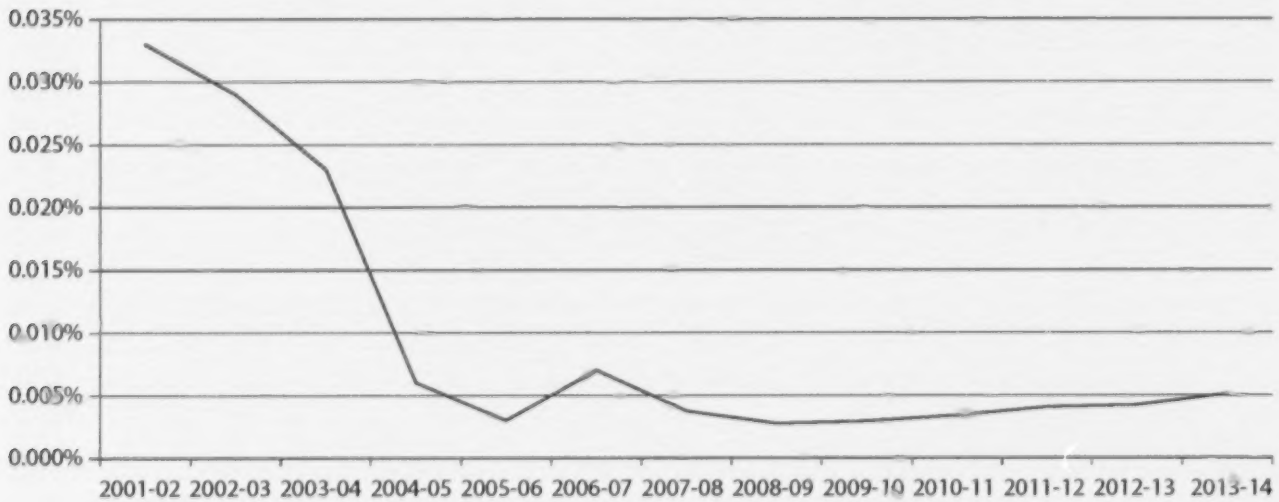
The measure illustrates Saskatchewan's share of world production for these two commodities. Saskatchewan is currently the world leader in potash production and is the world's second largest uranium producer. Growing these shares represents new employment and economic opportunities for Saskatchewan's residents and assures the continued health of Saskatchewan's mining industry. The Government of Saskatchewan has a moderate influence on this measure through a number of initiatives. As identified in the *Saskatchewan Plan for Growth*, maintaining a stable and competitive mineral royalty regime attracts investment and encourages development. The Government of Saskatchewan also has eliminated regulatory overlap and duplication, introduced the new MARS online dispositioning system for acquiring land, and has encouraged foreign investment into the mineral sector through participation in international trade missions.

The Saskatchewan mining industry is growing its world share of production in both potash and uranium. The potash industry is currently completing expansions that will substantially grow production capacity at each of the existing mines in the province. In addition, K+S Potash Canada is building Saskatchewan's first new greenfield potash mine in over 40 years. In uranium, the Cigar Lake mine is expected to begin production in 2014 and will become the world's second largest uranium mine. There have also been many new uranium discoveries in the past ten years and there are several mines that will be developed as market conditions improve.

Photo Credit: Ministry of Parks, Culture and Sport, Charles Melnick, Canola and Flax Fields

Measure

Minimize Uncollected Resource Revenues



Source: Ministry of the Economy

Measure Description

The term "uncollectible revenues" refers to the amounts of non-renewable resource revenues that are written off as bad debts and are expressed as a percentage of revenues recorded. The Ministry ensures the timely and optimal collection of revenues, on behalf of the Government, from the production and sale of Saskatchewan's energy and mineral resources, the sale of Crown mineral rights and other associated taxes, services and fees.

The Ministry takes action to achieve an acceptable level of assurance that all royalties, taxes and fees to which the province is entitled are properly determined and reflected in the Ministry's accounting records, and that the amounts owing are paid. In order to achieve an acceptable level of assurance, the potential risks are evaluated, auditing and monitoring processes and procedures are established, and human and technical resources are utilized to mitigate those risks. The Ministry assesses the adequacy of these processes and resources on an ongoing basis, and enhances them as it deems necessary. The client groups affected by these programs are the mineral industry, the oil and gas industry, individuals and companies that have a working interest in the Saskatchewan oil and gas and mining industry, private mineral owners, and purchasers of products and services that the Ministry provides.

Inherent in this measure is a reflection of the financial stability of resource companies carrying on business in Saskatchewan. The lower the percentage of uncollectible revenues, the more stable are the private sector companies remitting payments to the province.

Financial Summary

2014-15 Estimates	(In thousands of dollars)
Central Management and Services	39,482
Revenue and Corporate Services	15,593
Petroleum and Natural Gas	11,942
Mineral, Land, and Resource Policy	14,891
Economic Development	13,347
Labour Market Development	169,135
Tourism Saskatchewan*	16,172
Performance and Strategic Indicatives	1,144
Total Appropriation	**281,706**
Remediation of Contaminated Sites	(5,300)
Capital Asset Acquisitions	(7,860)
Non-Appropriated Expense Adjustment	3,013
Total Expense	**271,559**
FTE Staff Complement	**576.9**

*see the website http://www.industrymatters.com/tourism-saskatchewan/strategic-plan

For more information, see the Budget Estimates at: http://www.saskatchewan.ca/budget

Photo Credit: Saskatchewan Watershed Authority, photo by Vicki East, Rafferty Reservoir

Ministry of the Economy 2014-15 Spending by Division

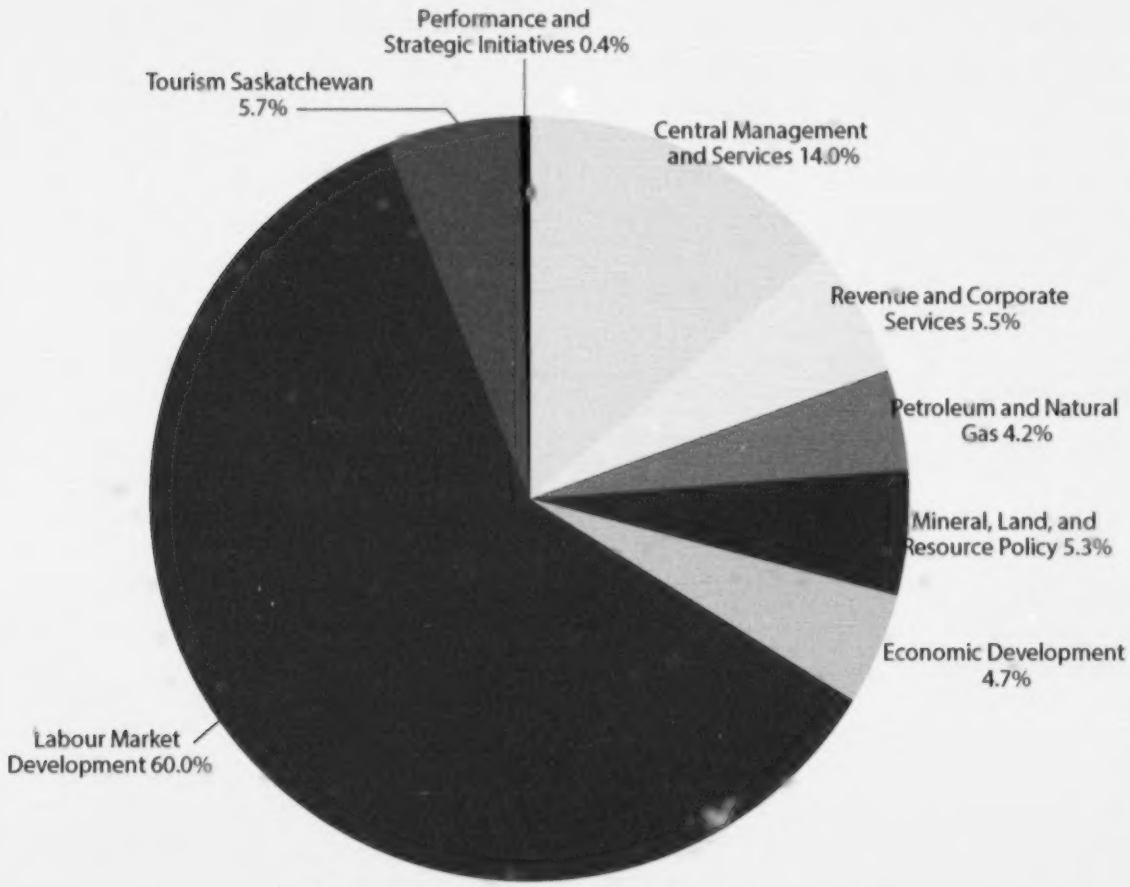

Performance and Strategic Initiatives 0.4%
Tourism Saskatchewan 5.7%
Central Management and Services 14.0%
Revenue and Corporate Services 5.5%
Petroleum and Natural Gas 4.2%
Mineral, Land, and Resource Policy 5.3%
Economic Development 4.7%
Labour Market Development 60.0%

Photo Credit: Saskatchewan Watershed Authority, photo by Vicki East, Rafferty Reservoir

Highlights

2014-15 Budget Highlights:

- The Ministry of the Economy has introduced a new oil and gas well levy that will streamline the licensing, regulations and monitoring processes in the oil and gas sector, eliminating 11 different licensing fees which account for more than 20,000 transactions. Increased revenue to the province will total $13.8M from industry.
- To keep pace with the strong growth of the oil and gas industry in the province and the challenges that accompany such growth, an additional $1.5M will be directed towards contaminated site management, air quality monitoring and regulatory enforcement.
- The Ministry will invest $500K in 2014-15 to work with the manufacturing industry in the establishment of a Manufacturing Centre of Excellence in Saskatchewan. The Centre will focus on productivity improvement, innovation, and workforce development for the provincial manufacturing sector.
- An additional $1M will be directed to the Saskatchewan Apprenticeship and Trade Certification Commission (SATCC) to create an additional 300 training seats in 2014-15.
- The Ministry will provide an additional $2.1M for 700 new seats to eliminate the wait list for Adult Basic Education (ABE) by 2015.
- In conjunction with Tourism Saskatchewan, the Ministry will invest $1.5M in promoting Saskatchewan via the *Feeling Good* campaign, facilitating labour recruitment initiatives, tourism promotion, and investment attraction consultation.
- Moving forward with the government's desire to move away from long-structural subsidies of the ethanol industry, the Ministry will reduce the Ethanol Fuel Tax Rebate by five cents to 10 cents/litre to continue the wind down of the program announced in 2013-14, aligning Saskatchewan with other jurisdictions. Saskatchewan's fuel distributors will still be required to purchase 30 per cent of their ethanol requirement from small ethanol producers in the province.

For More Information

Please visit the Ministry's website at http://www.saskatchewan.ca/government/ministries/economy for more information on the Ministry's programs and services.

Front Page Photo Credits

Canola and flax fields	*Biking, Narrow Hills Provincial Park*	*Over the Hill Orchards*	*Saskatchewan Legislative Building*
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